

## **BOARD OF ACCOUNTANCY MEETING MINUTES**

Meeting Date: November 19, 2013  
Meeting Location: Kennebec Conference Room, Gardiner, Maine  
Time Meeting Began: 9:00 a.m.

Chairman Tracy Harding called the meeting to order.

### **Roll Call of Officers**

The following members were present:

Tracy Harding  
Carl Chatto  
Michael Nickerson  
Brian Perkins  
Geoffrey Gattis

The following staff was present:

Catherine Carroll, Board Administrator  
Michelle Lovering, Board Clerk

AAG Present: Robert Perkins

### **Action of Board Minutes of the September 4, 2013 Meeting**

The board identified a typographical error in the last sentence in the paragraph located in the case 2013-ACC-9314. The board asked that this last sentence be amended by deleting the word “former” and replacing it with “formal”. A motion was made to accept minutes as amended.

Motion: Brian Perkins  
Second: Carl Chatto  
Unanimous

### **New Business**

#### **AICPA Peer Review Oversight Services**

James Bracken from the American Institute of Certified Public Accountants (AICPA) presented an overview on the firm peer review oversight process. Mr. Bracken presented information on the performance of system review and engagement review, peer reviewer qualifications, and the Facilitated State Board Access (FSBA) website feature that displays information on the results (“pass” and “fail”, maybe with “deficiencies”) of firm peer reviews, annual reports, and compliance and remediation results.

## **2012-ACC-7971 Decision and Order**

The board proposed amending the document by making the following corrections to the Decision and Order: (1) having the date noted on page 7, paragraph 19 line 6 to reflect "*January 23, 2012*"; and (2) adding a penalty due date on page 17 "5-A" - "...paid 30 days from the execution of Decision and Order." A motion was made to accept the Decision and Order, as amended.

Motion: Mike Nickerson

Second: Brian Perkins

Abstained: Carl Chatto

Motion Carried

## **Complaint Presentations**

### **2013-ACC-9314**

Bob Perkins summarized the nature of the complaint in which the certified public accountant (respondent) prepared a report for the trustee (complainant). Bob went through the sequence of the trust accounting events. Upon further investigation of the complaint, he found evidence of poor communications between the parties. Once the trust accounting report and tax return was completed and hand delivered to the complainant, an invoice was presented for which the complainant does not believe is due because of unsatisfactory services. The complaint committee's overall investigation of the complaint did not find violations of the Board's laws and rules. A motion was made to dismiss the case as recommended by the complaint committee.

Motion: Brian Perkins

Second: Geoff Gattis

Abstained: Mike Nickerson

Motion Carried

### **2013-ACC-9400**

This complaint is against an unlicensed individual employed by a licensed CPA firm, who provided services to a client who is "disabled" yet deemed independent and legally in charge of his own decision-making. The complainant is the brother of the client who believes that the services provided by the unlicensed individual at the request of the client, such as shopping tasks, escorting the client to attend nursing home team meetings and other activities regarding the care of the client, are unnecessarily costly and/or inappropriate. The complainant is concerned that the brother can move money without going through the complainant, thus, money may be unwisely spent/distributed. In the complaint committee's investigation, the committee did not find evidence that the client is objecting to any of the services provided by the employee of the firm. There is no evidence that the unlicensed employee is holding out. There is no evidence of a violation of practice principles. There is no evidence of taking money inappropriately. A motion was made to dismiss the case as recommended by the complaint committee.

Motion: Geoff Gattis

Second: Brian Perkins

Abstained: Mike Nickerson

Motion Carried

## **2013-ACC-9528**

This complaint involves a certified public accountant doing public accounting work and also acting as an investment adviser to the complainant. Eventually the complainant dropped the CPA's work as an investment advisor and subsequently, the respondent CPA stopped doing public accounting work. The complainant believed that by abruptly dropping this service is in violation the Board's code of professional conduct. The complaint committee did not see evidence in this complaint as presenting itself as a violation of the Board's code of ethics. A motion was made to dismiss the case as recommended by the complaint committee.

Motion: Brian Perkins

Second: Carl Chatto

Abstained: Mike Nickerson

Motion Carried

## **Complaint Update on 2011-ACC-7872**

Bob Perkins gave the background on the case of Valerie Alex holding out as a CPA. A 2012 Decision and Order was executed by the Board ordering Ms. Alex to shut down the business website, remove the business advertising sign erected on the business' property, pay penalties, and surrender her license which was revoked by the Board. In August of 2013, Ms. Alex was served papers by an investigator of the department. At the time Ms. Alex was served papers, she told the investigator that the website was mostly shut down, but that she's still wrapping up on shutting it down. In November of 2013, an investigator witnessed the sign on the property on Route 90 still advertising CPA services and that the website was still in operation. Catherine Carroll spoke with Ms. Alex on November 18, 2013, reminding her of the seriousness in complying with the terms and conditions of the Decision and Order. Additionally, two people called the department previously, saying Ms. Alex is holding herself out as a CPA. Bob stated that the overall goal is to stop the ongoing violations of the terms and conditions of the Decision and Order before more consumers are harmed. A motion was made to refer the case to the Attorney General for further prosecution.

Motion: Mike Nickerson

Second: Geoff Gattis

Unanimous

## **Administrator's Report**

Catherine Carroll noted that the individual license application needs updating now that the Board's education and work experience requirements in Chapter 5 have changed. The education and work experience requirements information on the Board's webpage needs updating, too. Catherine stated that firms have until December 31<sup>st</sup> to renew their licenses. Catherine sought the Board's interpretation on what is considered *accredited education institutions* as defined in their rules and laws, and their processes for accepting transcripts services from entities requesting the Board's approval. Catherine will update NASBA's candidate examination services on the Board's new education requirements.

Last month, Tracy Harding and Carl Chatto met with Commissioner Anne Head for an informal orientation. Tracy summed up the topics discussed at that meeting.

## **Other Business**

None.

**Adjournment**

The meeting adjourned at 1:10 p.m.

Respectfully submitted,

Michelle Lovering  
Board Clerk